



# SENATE JOINT RESOLUTION No. 20

## DIGEST OF INTRODUCED RESOLUTION

**Citations Affected:** Articles 8, 10, and 13 of the Constitution of the State of Indiana.

**Synopsis:** Removes requirement for property taxation. Amends Article 10, Section 1 of the Constitution of the State of Indiana to allow (instead of require) the general assembly to provide for property assessment and taxation. Provides that if the general assembly provides for property assessment and taxation, the conditions and limitations that apply currently under Article 10, Section 1 continue to apply. Makes conforming amendments to Article 8, Section 2, and Article 13, Section 1. This proposed amendment has not been previously agreed to by a general assembly.

**Effective:** This proposed amendment must be agreed to by two consecutive general assemblies and ratified by a majority of the state's voters voting on the question to be effective.

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January 10, 2008, read first time and referred to Committee on Tax and Fiscal Policy.

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PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2007 Regular Session of the General Assembly.

## SENATE JOINT RESOLUTION No. 20

A JOINT RESOLUTION proposing an amendment to Articles 8, 10, and 13 of the Constitution of the State of Indiana concerning taxation.

*Be it resolved by the General Assembly of the State of Indiana:*

- 1 SECTION 1. The following amendment to the Constitution of the
- 2 State of Indiana is proposed and agreed to by this, the One Hundred
- 3 Fifteenth General Assembly of the State of Indiana, and is referred to
- 4 the next General Assembly for reconsideration and agreement.
- 5 SECTION 2. ARTICLE 8, SECTION 2 OF THE CONSTITUTION
- 6 OF THE STATE OF INDIANA IS AMENDED TO READ AS
- 7 FOLLOWS: Section 2. The Common School fund shall consist of the
- 8 Congressional Township fund, and the lands belonging thereto;
- 9 The Surplus Revenue fund;
- 10 The Saline fund and the lands belonging thereto;
- 11 The Bank Tax fund, and the fund arising from the one hundred and
- 12 fourteenth section of the charter of the State Bank of Indiana;
- 13 The fund to be derived from the sale of County Seminaries, and the



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1 moneys and property heretofore held for such Seminaries; from the  
 2 fines assessed for breaches of the penal laws of the State; and from all  
 3 forfeitures which may accrue;

4 All lands and other estate which shall escheat to the State, for want  
 5 of heirs or kindred entitled to the inheritance;

6 All lands that have been, or may hereafter be, granted to the State,  
 7 where no special purpose is expressed in the grant, and the proceeds of  
 8 the sales thereof; including the proceeds of the sales of the Swamp  
 9 Lands, granted to the State of Indiana by the act of Congress of the  
 10 twenty eighth of September, eighteen hundred and fifty, after deducting  
 11 the expense of selecting and draining the same;

12 **If the General Assembly provides, by law, for property**  
 13 **assessment and taxation under Article 10, Section 1,** taxes on the  
 14 property of corporations, that may be assessed by the General  
 15 Assembly for common school purposes.

16 SECTION 3. ARTICLE 10, SECTION 1 OF THE CONSTITUTION  
 17 OF THE STATE OF INDIANA IS AMENDED TO READ AS  
 18 FOLLOWS: Section 1. ~~(a)~~ The General Assembly ~~shall~~ **may** provide,  
 19 by law, for ~~a uniform and equal rate of~~ property assessment and  
 20 taxation. ~~and If the General Assembly provides, by law, for~~  
 21 **property assessment and taxation, the General Assembly:**

22 **(1) shall provide for a uniform and equal rate of property**  
 23 **assessment and taxation;**

24 **(2) shall prescribe regulations to secure a just valuation for**  
 25 **taxation of all property, both real and personal; ~~The General~~**  
 26 **~~Assembly~~**

27 **(3) may exempt from property taxation any property in any of the**  
 28 **following classes:**

29 ~~(1)~~ **(A)** Property being used for municipal, educational,  
 30 literary, scientific, religious, or charitable purposes.

31 ~~(2)~~ **(B)** Tangible personal property other than property being  
 32 held as an investment.

33 ~~(3)~~ **(C)** Intangible personal property.

34 ~~(4)~~ **(D)** Tangible real property, including curtilage, used as a  
 35 principal place of residence by an:

36 ~~(A)~~ **(i)** owner of the property;

37 ~~(B)~~ **(ii)** individual who is buying the tangible real property  
 38 under a contract; or

39 ~~(C)~~ **(iii)** individual who has a beneficial interest in the owner  
 40 of the tangible real property;

41 ~~(b) The General Assembly and~~

42 **(4) may exempt any motor vehicles, mobile homes, airplanes,**

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boats, trailers, or similar property, provided that an excise tax in lieu of the property tax is substituted therefor.

SECTION 4. ARTICLE 13, SECTION 1 OF THE CONSTITUTION OF THE STATE OF INDIANA IS AMENDED TO READ AS FOLLOWS: Section 1. **(a) Subject to subsection (b)**, no political or municipal corporation in this State shall ever become indebted, in any manner or for any purpose to an amount, in the aggregate, exceeding two per centum on the value of the taxable property within such corporation, to be ascertained by the last assessment for State and county taxes, previous to the incurring of such indebtedness; and all bonds or obligations, in excess of such amount, given by such corporations, shall be void. ~~Provided, That~~ **However**, in time of war, foreign invasion, or other great public calamity, on petition of a majority of the property owners in number and value, within the limits of such corporation, the public authorities, in their discretion, may incur obligations necessary for the public protection and defense to such amount as may be requested in such petition.

**(b) Subsection (a) applies only if the General Assembly provides, by law, for property assessment and taxation under Article 10, Section 1.**

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